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Portland, OR 97258
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Invoice submitted to:
Stayton SW Assisted Living LLC, DBA Lakeside
Case No. 09-cv-6056-HO

March 15, 2010

Invoice # 1733

Professional Services

		<u>Hours</u>	<u>Amount</u>
2/1/2010	HS Cash Management Review and approve 4Q tax payments.	0.10	22.50
KMM	Administrative Services Identify potential dates for Lone Star mediation; provide dates to Clyde Hamstreet.	0.30	22.50
HS	Financing Update model for CSFB20 and 27 deferred maintenance per loan modification as approved by the court.	0.20	45.00
KB	Travel Time Travel time for Kathrine Barton for travel from Coquille to Salem.	3.00	NO CHARGE
SD	Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
KB	Business Operations Draft memo regarding work performed, issues and result of analysis of trend of current liabilities.	3.00	960.00
KB	Business Operations Work on final true up of allocation of receipts and expenses for MMA properties transferred from receiver back to Sunwest.	2.00	640.00
MS	Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
MS	Business Operations Review January census reports; discuss results with John Evans and with Missy McAllister.	1.40	490.00
MS	Business Operations Rehearse training meeting presentations.	2.00	700.00

		<u>Hours</u>	<u>Amount</u>
2/1/2010	MS Business Operations Research concession question in PSA; email Shirley Dunn and Ken Stephens regarding same.	0.50	175.00
	MS Business Operations Update Medicaid growth data for December; develop charts for Oregon.	0.60	210.00
	MS Business Operations Conduct Randy Cyphers' 4Q09 business review.	2.70	945.00
	MS Business Operations Attend compensation meeting with Kristy Petersen, Darryl Fisher, Michael Boston, Ops VPs, Mike Deines and Steve Stradley.	1.70	595.00
	HS Cash Management Review daily AP disbursements.	0.40	90.00
	HS Cash Management Download fee applications in PACER.	0.20	45.00
	HS Cash Management Update treasury files related to transactions in the JDW CRO/DIP accounts.	0.50	112.50
	HS Cash Management Follow-up on check for Melody Harmon.	0.20	45.00
	HS Accounting /Auditing Discuss accounting for Middlefield Oaks advance.	1.10	247.50
	HS Business Analysis Review Kathrine Barton's AP/Op Ex reconciliation.	1.00	225.00
	HS Cash Management Compare budget to actual cash balances.	1.30	292.50
	SD Cash Management Work on cash management matters including addressing French Quarter Apartment issues and Parkview Cottages insurance coverage.	0.70	252.00
	SD Claims Admin & Objections Meet with Carrie Rasca and Shain Pearse relating to work on MIMO claims for Lone Star investors. Follow-up on outstanding issues.	1.30	468.00
	KB Business Operations Meet with various accounting department personnel to ascertain progress of yearend closing and identify issues regarding closing adjustments.	1.10	352.00
	SD Business Operations Conference call with Andrew Lax and Moina Banerjee regarding analysis of Blackstone proceeds. Follow-up with additional details relating to payroll, benefits and other information.	1.10	396.00

			<u>Hours</u>	<u>Amount</u>
2/1/2010	CAH	Case Administration Prepare for and meet with the Judges, Moelis and Shirley Dunn regarding Moelis and case administration issues. Review and respond to emails.	8.00	3,600.00
	SD	Tax Issues Review status of mailing of 1099's; follow-up email with Bill Bryan.	0.30	108.00
	SD	Business Operations Review emails and respond.	2.10	756.00
	MOC	Strategic Planning Review Darryl Steinhouse memo regarding deal pros and cons.	0.50	150.00
	MOC	Business Operations Review and respond to email.	0.30	90.00
2/2/2010	KMM	Administrative Services Print, organize and obtain signatures from Clyde Hamstreet for Legacy of Dallas, Chino Hills, Kings Manor and Cache Valley property documents. Scan, notarize and send per Sarah Bruck's instructions. Follow-up with Sarah regarding particulars.	1.60	120.00
	MS	Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	MS	Business Operations Review and respond to email and voicemails and miscellaneous filing of emails.	0.40	140.00
	MS	Business Operations Discuss rent promotion concessions with John Evans; emails with Ken Stephens regarding same.	0.40	140.00
	MS	Business Operations Attend directors meeting.	1.20	420.00
	MS	Business Operations Confer with Wally Gutzler regarding HB2138; discuss same with Randy Cyphers and emails from Clyde Hamstreet. Discussion with Kathrine Barton regarding participation. Review HB2138; schedule meeting with Wally Gutzler and consult with Shirley Dunn regarding team members.	1.10	385.00
	MS	Business Operations Meet with Darryl Fisher and Steve Stradley regarding FBI investigation matter; teleconference with Clyde Hamstreet, Al Kennedy, Ken Stephens, Shirley Dunn, Darryl Fisher and Steve Stradley regarding same. Email to Hamstreet regarding Stradley concern. Review article on civil criminal investigation.	1.80	630.00
	MS	Business Operations Review civil penalty ALFCP10-0003; log in database. Consult with Nicole Brophy regarding same.	0.50	175.00

		<u>Hours</u>	<u>Amount</u>
2/2/2010	MS Business Operations Prepare for Missy McAllister business review; review census trends and wide reports.	0.20	70.00
	HS Accounting /Auditing Attend meeting at Moss Adams regarding accounting for SWP transaction.	1.70	382.50
	HS Cash Management Review GE February invoice.	0.10	22.50
	MS Business Operations Conduct Missy McAllister 4Q09 divisional business review.	2.40	840.00
	MS Business Operations Review IQR results of past 60 days and confer with Lynn Smith.	0.30	105.00
	KB Business Operations Review Sunwest Management and Senenet financials. Meet with Daniel Fish to discuss. Obtain and review supporting documentation.	3.30	1,056.00
	KB Business Operations Work with accounts receivable, accounts payable and property tax personnel in order to true up receipts and expenses for Orchard Park and Palm Meadows Village.	1.70	544.00
	HS Financing Review Kathrine Barton's write up of AP analysis.	0.30	67.50
	KB Business Operations Review and respond to various email requests.	0.50	160.00
	CAH Business Operations Prepare for and participate in CRO/Receiver meeting with Michael Grassmueck, Shirley Dunn and Geoff Winkler to review issues of joint concern.	1.20	540.00
	SD Business Operations Meet with Receiver and CRO to address current issues. Make arrangements for follow-up calls. Call with Darryl Fisher, Wally Gutzler, Steve Stradley, Mark Schmidt and Clyde Hamstreet regarding FBI criminal investigation. Follow-up discussion with Darryl Fisher and Steve Stradley. Address additional issues relating to abandonment of Parkview Cottages. Address Hillside management representatives for resident council. Review emails and respond.	5.20	1,872.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	0.60	NO CHARGE
	SD Litigation Support Telephone conference with Michael Grassmueck, Al Kennedy, Ken Stephens, David Zaro and Clyde Hamstreet regarding mediation on Lone Star and communications with investors and legal representatives.	0.70	252.00

		<u>Hours</u>	<u>Amount</u>
2/2/2010	SD Cash Management Work with Shain Pearse to review debt service payments; follow-up on questions regarding facility cash position and performance trends. Work on CSFB20 and CSFB27 payments.	2.50	900.00
	SD Financing Work on MMA revised terms; review calculations relating to accrued interest and legal fees added to principal and follow-up. Coordinate March visit by GE Capital.	1.30	468.00
	SD Business Operations Review motions relating to MetCap and Brentwood Capital; follow-up emails to Michael Grassmuck.	0.60	216.00
	SD Accounting /Auditing Meet with Yarrow Child to address issues with Parkview Estates and receiver's accounting for business operations. Call with Marcia Frey of Pivotal Solutions with Yarrow Child. Debrief with Barb Jones. Follow-up email to John Rizzardi.	0.90	324.00
	KB Business Operations Work with accounting department on resolution of various accounting classification and treatment issues.	0.80	256.00
	MOC Investor Relations Review and respond to investor email.	0.30	90.00
	MOC Business Operations Review and respond to email; conference call with Clyde Hamstreet.	0.50	150.00
	MOC Communications Email regarding communications issues.	0.30	90.00
	KMM Administrative Services Forward Pam Mattson updated investor information.	0.10	7.50
	KMM Administrative Services Email with Leslie Hurd of Tonkon Torp regarding updating Sunwest distribution list to include Matt Marcos. Email Matt regarding same.	0.40	30.00
2/3/2010	KMM Administrative Services Call David Zaro to discuss mediation schedule.	0.10	7.50
	KMM Administrative Services Discuss with David Zaro the upcoming mediation schedule. Call Sheryl Clinkscales at USA&M to schedule mediation and notice interested parties. Discuss Judge Velure's schedule.	0.40	30.00
	HS Cash Management Review accounts payable monthly forecast and daily disbursements.	3.90	877.50

		<u>Hours</u>	<u>Amount</u>
2/3/2010	HS DIP Financing/Cash Collateral Review CSFB20 and 27 agreement for financial reporting requirements.	0.70	157.50
	HS Accounting /Auditing Search Jan Heald Robinson's files for spreadsheet showing Southpark. Email Veronica Hamstreet to obtain bank statements.	0.30	67.50
	HS Financing Review Kathrine Barton's AP analysis.	0.20	45.00
	HS Cash Management Review bank statements to reconcile Daryl Fisher and Wally Gutzler's CRO accounts.	0.10	22.50
	HS Cash Management Update professional fees incurred verses budgeted.	2.90	652.50
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	CAH Strategic Planning Prepare materials for review with counsel. Work with Al Kennedy and Ken Stephens on Moelis engagement, Blackstone extension and several motions including motion of management committee to engage investment bankers.	3.20	1,440.00
	CAH Business Operations Work on general issues with staff including opening balance sheet development and criminal investigations process. Review and respond to emails. Work on Cascadia property divestment and sign PSA amendments and closing documents. Work on setting up mediation dates.	2.70	1,215.00
	SD Financing Discussion with Shain Pearse, Kathrine Barton and Hannah Schmidt regarding CS reporting compliance. Continue to work on MMA debt service and legal fees. Participate in GE weekly call. Work with Hannah Schmidt and Kathrine Barton on financial reporting compliance. Continue work on loan modification agreements.	4.20	1,512.00
	SD Business Operations Conference with Kristy Peterson regarding H.R. issues. Meet with Michael Boston regarding employment of Baron Lieberman to address 401K audit issues with IRS. Email to Tonkon Torp. Review emails and respond.	3.10	1,116.00
	SD Claims Admin & Objections Prepare for and lead meeting with Shain Pearse, Barb Jones, Bob Roberts, Daniel Fish, Pam Mattson and Kristy Petersen; follow-up. Coordinate meeting with Receiver with Rachael McIvor.	2.10	756.00
	KB Business Operations Work on true up of Orchard Park and Palm Meadows Village. Meet with accounts receivable. Discuss with Shirley Dunn. Emails to lender's counsel.	1.50	480.00

		<u>Hours</u>	<u>Amount</u>
2/3/2010	KB Business Operations Review and respond to emails and other information requests.	0.50	160.00
	MOC Business Operations Review and respond to email.	0.30	90.00
	SD Asset Disposition Address issues with Boones Ferry property regarding offer below debt.	0.30	108.00
	KB Business Operations Work on projected balance sheets. Discuss with Shirley Dunn.	7.00	2,240.00
	KB Business Operations Finalize and send email to Hamstreet team regarding analysis of operating expenses relative to current liabilities.	0.40	128.00
	KMM Administrative Services Review emails regarding scanned version of Kings Manor documents to identify missing page.	0.30	22.50
	KB Business Operations Discuss with Shirley Dunn and Hannah Schmidt changes in DIP budget to actual format for original Chapter 11 entities.	0.30	96.00
2/4/2010	KMM Administrative Services Discuss with Clyde Hamstreet upcoming mediation schedule for the Lone Star transaction, interested parties to be noticed and time allocation for each.	0.20	15.00
	KMM Administrative Services Review scan of Legacy of Dallas documents.	0.10	7.50
	JHR Business Operations Provide firm contacts for professional fee forecasting. Research Lone Star advance to Sunwest, booked by Staci Voight incorrectly as a loan from H&A. Provide information on bank fees paid out of Southpark. Provide information on other unnoted queries.	2.60	780.00
	JHR Cash Management Manage issues and reporting related to use of Lone Star proceeds involving work on the Lone Star/Special Trust binders.	4.30	1,290.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Illahee CC for meeting.	1.20	NO CHARGE
	HS Financing Update model for FNB Waupaca final term sheet and create summary to send to lender; update for Northpark Place actuals.	2.30	517.50

		<u>Hours</u>	<u>Amount</u>
2/4/2010	MS Business Operations Review SNF contract for Plaza on the River; communications with Mike Deines, Mize and Tom Wettlaufer regarding same.	0.40	140.00
	MS Business Operations Review Eastman memo on census reporting discrepancies.	0.20	70.00
	HS DIP Financing/Cash Collateral Resend November DIP budgets to budgets to Berkadia.	0.10	22.50
	HS Cash Management Update and find contact information for professional fee budget to actual. Update for additional invoices received.	3.30	742.50
	HS Due Diligence Respond to AEW cash questions.	0.20	45.00
	HS Cash Management Review daily AP disbursements.	0.10	22.50
	HS Accounting /Auditing Compile Southpark bank statements for financial accounting.	0.30	67.50
	HS Financing Review Valley View projections to evaluate viability.	0.30	67.50
	HS Due Diligence Emails with Matt Marcos regarding management company budget.	0.10	22.50
	MS Business Operations Attend home Office MVP meeting at Illahee CC.	7.50	2,625.00
	HS Cash Management Review payroll tax payment for SWM.	0.10	22.50
	HS Financing Research payments on Waterford at Bellevue debt and respond to email.	0.30	67.50
	MOC Due Diligence Review AP memo for HDG report response and interim report.	0.20	60.00
	MOC Business Operations Review and respond to email.	0.20	60.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Financing Address FNB Waupaca lack of executed term sheet. Work on loan modification term sheets for The National Bank and DNB Bank. Calls with Bob Krohn and Greg Yates.	4.90	1,764.00

		<u>Hours</u>	<u>Amount</u>
2/4/2010	SD Cash Management Address various payment issues, Grants Pass Irrigation District, property taxes, etc. Address cash position for Aspen Foundation facilities and ability to meet current debt service requirements. Discuss forecasts for NFP facilities with Hannah Schmidt. Work on other cash management activities.	2.30	828.00
	SD Business Operations Review and respond to email.	2.00	720.00
	KMM Administrative Services Per Hannah Schmidt's request, locate, scan and send Southpark 2009 bank statements.	0.40	30.00
	KB Business Operations Work on projected balance sheets. Analyze and model various prepaid and payable accounts.	6.20	1,984.00
	KB Business Operations Follow-up on lack of lender response from GreenBank.	0.40	128.00
	KB Business Operations Follow-up with accounts payable, treasury and accounts receivable regarding true up of Palm Meadows Village and Orchard Park closing.	0.50	160.00
	KB Business Operations Begin collecting payment data required for DIP budget to actual reporting of December (extended).	0.50	160.00
	KB Business Operations Review and respond to email.	0.50	160.00
	KMM Administrative Services Contact Sheryl Clinkscales at USA&M Mediations to schedule Lone Star mediations.	0.50	37.50
2/5/2010	KMM Administrative Services Print, organize, obtain Clyde Hamstreet signature, scan and send per Sarah Bruck instructions Cascadia Canyon and Yakima Medical School documents.	0.40	30.00
	HS Cash Management Update cash summary for 12/31 and 1/31.	0.30	67.50
	HS Financing Update The National Bank projections for term sheet.	0.80	180.00
	KMM Administrative Services Follow-up with Sheryl Clinkscales regarding Lone Star mediation schedule. Discuss noticing distribution list.	0.50	37.50

		<u>Hours</u>	<u>Amount</u>
2/5/2010	KMM Administrative Services Reformat and print Cascadia Canyon and Yakima Medical School documents.	0.20	15.00
	MS Travel Time Travel time for Mark Schmidt for travel from Illahee CC to Portland.	1.20	NO CHARGE
	MS Business Operations Attend MVP meeting at Illahee CC.	4.00	1,400.00
	HS Business Analysis Work on Hillside break even analysis. Review five year model and update growth rates in model for inconsistencies.	0.60	135.00
	HS Financing Review and update Valley View projections for new debt service payments and compare to actual results.	1.40	315.00
	HS Cash Management Follow-up on status of wire transfer for workers compensation taxes.	0.30	67.50
	SD Financing Meet with Matt Marcos and Greg Yates to review status of debt restructuring efforts and identify responsibility for remaining tasks. Continue work on lender term sheets and loan modifications.	3.80	1,368.00
	MOC Business Operations Review and respond to email.	0.10	30.00
	MOC Investor Relations Conference call with Tom Decker regarding investor issues. Conference call with Amy Giannamore regarding tax disclosure document.	0.20	60.00
	HS DIP Financing/Cash Collateral Review and send Chehalem Springs budget to actuals for the week of 1/18.	0.40	90.00
	MOC Strategic Planning Review AEW agreements; review summary of Stayton pre closing obligations.	0.50	150.00
	SD Tax Issues Calls with Oregon Department of Revenue. Call with Michael Grassmueck. Prepare response to ODR regarding unpaid payroll taxes. Send email to employees with payroll administration responsibilities. Review abatement of penalties relating to federal income taxes. Review information from Moss Adams regarding HFG settlements; follow-up with Tonkon Torp. Review engagement letter from Moss Adams regarding preparation of tax returns. Delegate task of review of list of returns to be filed; review responses.	2.50	900.00
	SD Business Operations Review emails and respond.	1.00	360.00

		<u>Hours</u>	<u>Amount</u>
2/5/2010	KB Business Operations Work on projected balance sheet for HoldCo entities.	4.50	1,440.00
	KB Business Operations Collect data for DIP budget reporting.	0.20	64.00
	KB Business Operations Respond to emails and internal information requests.	0.40	128.00
	KB Travel Time Travel time for Kathrine Barton for travel from Salem to Coquille.	3.00	NO CHARGE
2/8/2010	SD Business Operations Meet with Michael Boston regarding HR issues. Review emails and respond.	0.50	180.00
	CAH Strategic Planning Organize and assign work for upcoming week. Review and sign PSA and closing documents for various properties. Work on Blackstone transaction and on Moelis engagement contract. Work with Matt Marcos on communication and strategic issues.	5.70	2,565.00
	SD Cash Management Address debt service payment on CSFB20 and research reserve balance and address Columbia Pacific request for additional funding of reserve. Review information from Accounting. Address various issues relating to Spring Pointe and Greg Niedermeyer.	1.50	540.00
	KMM Administrative Services Scan and email January 2010 mediation fees to Shirley Dunn per Clyde Hamstreet.	0.10	7.50
	SD Valuation Meet with Tom Wettlaufer to review remarks about SWP current transactions.	0.30	108.00
	KMM Administrative Services Print, organize, obtain Clyde Hamstreet signature, notarize, scan, email and send Rose Valley Cottages documents. Coordinate with Sarah Bruck Clyde Hamstreet's schedule to meet with James Estes.	0.50	37.50
	SD Asset Disposition Call from broker regarding Graham's Ferry property and follow-up with Greg Yates.	0.20	72.00
	KMM Administrative Services Email Maren Cohn and Pam Mattson regarding an investor inquiry.	0.20	15.00
	SD Financing Continue work on loan term sheets and modifications.	3.50	1,260.00

		<u>Hours</u>	<u>Amount</u>
2/8/2010	KMM Administrative Services Print, organize, obtain Clyde Hamstreet signature and notarize various documents. Scan and email to Sarah Bruck, Jason Muth, etc.	0.60	45.00
	HS Financing Work on five year model for loan feels; update Hillside leases.	0.50	112.50
	HS Cash Management Summarize and graph cash balances by type.	1.80	405.00
	HS Cash Management Review daily AP disbursements.	0.90	202.50
	HS Cash Management Coordinate updating HoldCo and DivestCo classification on daily cash balance report with Brandy Clack.	0.10	22.50
	HS Cash Management Update and reconcile key treasury files for last week.	0.90	202.50
	HS Due Diligence Call with AEW regarding management budget. Follow-up on questions raised with Staci Voight.	1.30	292.50
	HS Financing Review November SMI financial statements and compare to stand alone budget. Send actuals to AEW.	1.10	247.50
	HS Financing Review budget to actual sales and use taxes.	0.10	22.50
	HS Cash Management Review restructuring plan regarding legal fees to be paid on behalf of JDW.	0.10	22.50
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	SD Due Diligence Prepare for and participate in telephone conference with Tony Crooks, Paul Slye, Jeanne Caldwell and Matt Marcos regarding AEW questions regarding buy in communities and SWI budget projections. Follow-up relating to information needs of AEW relating to buy in communities and CCRC reserves.	1.90	684.00
	MOC Litigation Support Email regarding adversary proceedings.	0.10	30.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE

		<u>Hours</u>	<u>Amount</u>
2/8/2010	SD Fee/Employment Applications Update mediation fees to prepare summary in response to request from Judge. Discussion with Hannah Schmidt and Christina Anderson regarding multiple invoices.	0.40	144.00
	SD Accounting /Auditing Meet with Barb Jones regarding various year end accounting matters.	0.50	180.00
	SD Valuation Review draft documents and respond to Tom Wettlaufer with questions and observations.	1.20	432.00
	MOC Business Operations General email; conference call with Clyde Hamstreet.	0.50	150.00
	MS Business Operations Review Aydelott's operating budget analysis spreadsheet and discuss with John Evans and Darryl Fisher.	2.60	910.00
	MS Business Operations Review Eastman memo regarding census reporting issues; email request and response to Steve Arndt and John Evans and later meet with Evans.	1.10	385.00
	MS Business Operations Meet with Nicole Brophy for project update on points based service planning in VITALS. Discuss IQR identified issues with Health Services.	0.60	210.00
	MS Business Operations Discuss Hill Architects rent and Plaza on the River SNF with Mike Deines.	0.30	105.00
	MS Business Operations Prepare resident survey summaries for discussion with Nicole Brophy.	0.30	105.00
	MS Business Operations Review latest IQR reporting detail; email Lynn Smith regarding same.	1.00	350.00
	MS Business Operations Field training dry run rehearsal.	1.50	525.00
	MS Business Operations Consult with Darryl Fisher regarding changes in directors meeting format.	0.30	105.00
	MS Business Operations Preview "Code of Conduct" roll-out; discuss with Brett Salmon and Darryl Fisher and provide comments to Salmon.	0.60	210.00
2/9/2010	MS Business Operations Discuss 2010 safety bonus plans with Steve Stradley.	0.60	210.00
	MS Business Operations Prepare VP specific resident survey packages for the four Ops VPs.	0.50	175.00

		<u>Hours</u>	<u>Amount</u>
2/9/2010	MS Business Operations Meet with Hillside resident council officers.	1.80	630.00
	MS Business Operations Attend lunch meeting with Darryl Fisher.	0.50	175.00
	CAH Business Operations Review and respond to emails and phone calls.	1.40	630.00
	KMM Administrative Services Scan and mail King's Manor documents as directed by Sarah Bruck.	0.20	15.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	KMM Administrative Services Create labels for Sunwest transaction binders.	0.30	22.50
	SD Cash Management Work on correcting amount of CSFB20 payment.	0.30	108.00
	SD Business Operations Obtain information for Tony Crooks. Review AEW DIP loan document and other documents relating to AEW investment. Meet with Matt Marcos regarding the coordinate efforts.	2.00	720.00
	SD Business Operations Meet with Darryl Fisher to plan agenda for GE visit. Assist Mark Schmidt with information for Hillside resident council meeting. Review emails and respond.	2.70	972.00
	SD Claims Admin & Objections Prepare for and meet with Sunwest staff with Michael Grassmueck, John Hall, Rachael McIvor and Geoff Winkler regarding MIMO claim calculations.	2.70	972.00
	SD Valuation Meet with Tom Wettlaufer and Michael Grassmueck and execute SWP transaction documents.	0.30	108.00
	SD Financing Review CSFB27 financial reporting and send emails regarding corrections required. Work on debt service for CS and Hillside.	0.60	216.00
	JHR Business Operations Follow-up on accounting for the Lone Star advance to Sunwest and on request for confirmation of the HDG wire. Reconcile numerous small transactions to the Lone Star accounts of late December and January. Provide information on other unnoted queries related to Lone Star.	9.20	2,760.00
	HS Cash Management Update January cash flow.	0.40	90.00

		<u>Hours</u>	<u>Amount</u>
2/9/2010	HS Cash Management Update employee indemnification spreadsheet and paperwork.	0.60	135.00
	HS Cash Management Review AP check run and follow-up on open invoices with SWM.	0.70	157.50
	HS Accounting /Auditing Review management company balance sheet.	0.50	112.50
	HS DIP Financing/Cash Collateral Follow-up on payments made to and interest rates for Northpark place.	0.30	67.50
	HS Data Analysis Follow-up on Hillside information needed for break even analysis and formulate break even analysis.	1.20	270.00
	HS Cash Management Respond to Less Pesterfield regarding Aspen Foundation payments. Coordinate how to book with AP.	0.20	45.00
	HS Cash Management Summarize and graph cash balances by type.	0.40	90.00
	HS Due Diligence Respond to AEW question on SWM balance sheet.	0.20	45.00
	HS DIP Financing/Cash Collateral Set up for December DIP budgets.	0.20	45.00
	HS Financing Forward Hillside budget and loan terms to operations.	0.20	45.00
	HS Cash Management Review CSFB20 and 27 reserve balances.	0.20	45.00
	HS Cash Management Update professional fees spreadsheet for invoice received today.	0.20	45.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	MS Business Operations Participate in resident survey teleconference.	1.00	350.00
	MS Business Operations Attend Directors meeting.	0.70	245.00
	MS Business Operations Attend Ops VP meeting.	1.60	560.00

		<u>Hours</u>	<u>Amount</u>
2/9/2010	MS Business Operations Work on Hillside resident council preparation with Wally Gutzler, Randy Cyphers and Aydelott.	1.00	350.00
2/10/2010	MOC Strategic Planning Conference call with CRO team; call with Clyde Hamstreet.	1.50	450.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	MS Business Operations Consolidate and reconcile the Regional and Divisional budget.	4.80	1,680.00
	MS Business Operations Prepare Chris Ridge light rail condemnation communications; conference with Mary Thuemmel regarding same.	0.70	245.00
	MS Business Operations Work on census reporting issue and emails with Eastman and Steve Arndt.	0.60	210.00
	MS Business Operations Meet with Randy Cyphers and then with Nicole Brophy regarding resident survey. Prepare summaries for Brophy's team's use.	1.20	420.00
	CAH Business Operations Work on management of case including series of conference calls with CRO team members regarding AEW and Blackstone and SWP tax issues. Review and sign number of documents. Review and respond to email.	4.30	1,935.00
	KMM Administrative Services Respond to Sarah Bruck regarding insurance agreement and Clyde Hamstreet's schedule.	0.10	7.50
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Financing Work on issues relating to GE payment and payment of allocated debt service by ML7 receiver. Address CSFB27 debt payment issues. Calls with TTY Lucas of Nebraskaland regarding extension of maturity of loan on Nebraskaland 5. Calls with Greg Yates. Forward Cougar Springs executed documents to Justin Denton at Tonkon Torp. Call from Dan Halstrom regarding various matters relating to Garden Way and Milton. Meet with Daniel Fish regarding Sterling Bank requests. Calls with Bob Krohn of The National Bank and Greg Peterson of DNB. Work on issues regarding FNB Waupaca and Umpqua Bank. Coordinate with Andrew Lax and Moina Banerjee of Blackstone.	4.70	1,692.00
	SD Business Operations Conference call with Receiver and CRO; follow-up with Ken Stephens and Tom Wettlaufer. Address former resident request regarding Hillside buy in	3.10	1,116.00

		<u>Hours</u>	<u>Amount</u>
	refund. Work on retention of Salem HQ office building. Review emails and respond.		
2/10/2010 HS	Cash Management Review daily AP disbursements.	2.40	540.00
SD	Asset Disposition Participate in two telephone conferences with Tonkon Torp and CRO regarding Blackstone and AEW analysis of deals and efforts to proceed with these transactions. Continue to review AEW DIP and related documents.	2.30	828.00
MOC	Business Operations General email and organization.	0.20	60.00
MOC	Investor Relations Investor email and phone calls; draft investor memo updates.	2.40	720.00
MOC	Communications Conference call with Mark Schmidt regarding CRO report update material and Hillside status. Conference call with former Hillside resident.	0.30	90.00
KB	Travel Time Travel time for Kathrine Barton for travel from Coquille to Salem.	3.00	NO CHARGE
KB	Business Operations Discuss DIP budget to actual reporting. Work on obtaining required information.	0.80	256.00
KB	Business Operations Work on balance sheet projections and fresh start accounting.	5.70	1,824.00
KB	Business Operations Work with Shain Pearse and other accounting personnel on property tax payments.	2.50	800.00
MOC	Tax Issues Conference call with Amy Giannamore regarding tax disclosure document issues.	0.30	90.00
MOC	Plan & Disclosure Statement Conference call with Greg Yates regarding bare land.	0.10	30.00
HS	Business Operations Review and respond to email.	0.30	67.50
HS	Financing Review The National Bank term sheets for changes to the five year plan. Revise miscellaneous errors in plan.	0.40	90.00

		<u>Hours</u>	<u>Amount</u>
2/10/2010	HS Data Analysis Compare Hillside break even projection to actuals and adjust for services not related to independent living.	1.10	247.50
	HS Accounting /Auditing Review balance sheet and cash flow with Kathrine Barton.	0.50	112.50
	HS Cash Management Modify standalone budget to show monthly cash balances by HoldCo, DivestCo, etc. Complete monthly summary for cash budget to actuals.	1.20	270.00
2/11/2010	MOC Investor Relations Review and respond to investor email, revise investor memos and send out conference call notices.	0.40	120.00
	KB Business Operations Work on DIP budget to actual reports.	1.50	480.00
	KB Travel Time Travel time for Kathrine Barton for travel from Salem to Portland.	1.00	NO CHARGE
	SD Valuation Discussion and emails with Steve Stradley regarding insurance on SWP.	0.20	72.00
	HS Financing Update five year model for preliminary Umpqua terms and create five year projection and summary to send to lender.	1.30	292.50
	HS Cash Management Follow-up on WA delinquent payroll tax.	0.20	45.00
	HS Cash Management Review daily AP.	0.20	45.00
	HS Cash Management Review 45 day projection for what we will need to fund.	1.00	225.00
	HS Accounting /Auditing Review CSFB20 questions and mediation fee break out.	0.60	135.00
	HS DIP Financing/Cash Collateral Review and update December DIP budgets.	2.50	562.50
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	MS Business Operations Meet with Melanie Hendrix and Knight regarding regional business review presentations.	0.40	140.00
	MS Business Operations Meet with Randy Cyphers regarding his regionals review presentations.	0.40	140.00

		<u>Hours</u>	<u>Amount</u>
2/11/2010	MS Business Operations Discuss business reviews with Robinson.	0.30	105.00
	MS Business Operations Conference calls with Clyde Hamstreet.	0.40	140.00
	MS Business Operations Call James Phillips to benchmark WMT incentive compensation programs.	0.50	175.00
	MS Business Operations Review payroll spreadsheet for errors and omissions; email Clyde Hamstreet regarding same.	1.50	525.00
	MS Business Operations Meet with Aydelott regarding budget consolidations and incentive compensation reconciliation to budget.	0.50	175.00
	MS Business Operations Meet with Michael Boston to present incentive compensation recommendations with regard to budget consolidation.	0.60	210.00
	MS Business Operations Confer with Steve Stradley regarding Lane Powell engagement.	0.20	70.00
	MS Business Operations Work on budget consolidations for regional, divisional and corporate budgets.	4.20	1,470.00
	CAH Business Operations Work with staff on office relocation options and decision to stay in existing facilities; work on corporate employee levels. Work with CRO team on AEW and Blackstone transactions issues. Work with representative of management company to bridge differences in plans.	3.90	1,755.00
	KMM Administrative Services Follow-up on request from Sheryl Clinkscales at Judge Velure's office regarding scheduling the Waterford at Bellevue and Crown Pointe Mediation v. Sunwest, Harder mediation. Contact Clyde Hamstreet and Greg Yates regarding same.	0.50	37.50
	JHR Business Operations Manage finance operations issues and report use of Lone Star proceeds.	4.20	1,260.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Financing Continue work on term sheets and restructuring of loans. Coordinate with Andrew Lax and Moina Banerjee of Blackstone. Review projections for Meadowlark and transmit to Umpqua Bank. Review Vestin financing of second mortgage on Meadowlark with Tom Wettlaufer. Email Greg Yates	3.90	1,404.00

		<u>Hours</u>	<u>Amount</u>
	regarding potential fraudulent conveyance. Set up conference call with Receiver and David Zaro.		
2/11/2010	SD Tax Issues Address Senenet business license held in suspense due to non payment of payroll taxes due to bankruptcy. Call with Judy Dauble regarding draft K-1's; discussion with Doreen Davis regarding practice for 2008 K-1's. Meet with Wally Gutzler to address concerns. Review message from Mark Garrison from Washington Department of Revenue regarding discontinuation of payment plan on \$800k B&O tax liability; call with Mark. Address tax with Kathy White and Hannah Schmidt. Meet with Daniel Fish and Trish Brown.	2.20	792.00
	SD Business Operations Conference call with Clyde Hamstreet and Mark Schmidt regarding Weatherly Springs transaction and interim management for Emeritus and to address lender's motion for relief from stay on the Corporate office building. Request and review information relating to payments on corporate office building, depreciation and tax status; forward to Tonkon Torp. Review and respond to emails.	2.50	900.00
	SD Strategic Planning Conference call with Tonkon Torp, CRO, Greg Yates and Matt Marcos regarding Blackstone and AEW transactions status. Review projected balance sheet work with Kathrine Barton in conjunction with Blackstone and AEW deal analysis. Prepare for meeting with Moss Adams.	1.90	684.00
	KB Business Operations Work on balance sheet projections and fresh start accounting. Prepare for meeting at Moss Adams regarding same. Discuss with Shirley Dunn.	4.00	1,280.00
	KB Business Operations Work with Shain Pearse and other accounting personnel on property tax payments.	3.40	1,088.00
	MOC Business Operations General email and phone calls.	0.30	90.00
	MOC Litigation Support Conference call and email with Tim Conway regarding adversaries. Conference call with Darryl Steinhouse and Amy Giannamore regarding adversary proceedings and tax disclosure memo; follow-up email. Conference call with Clyde Hamstreet regarding structural and tax analysis documents; review substantive consolidation memo from Darryl. Conference call with Amy regarding memo and other issues.	1.40	420.00
2/12/2010	KMM Administrative Services Respond to Sheryl at Judge Velure's office regarding scheduling the Waterford at Bellevue and Crown Pointe Mediation v. Sunwest, Harder mediation.	0.10	7.50

		<u>Hours</u>	<u>Amount</u>
2/12/2010	KB Accounting /Auditing Meet with Moss Adams regarding various business issues, in particular post confirmation balance sheet.	2.00	640.00
	MOC Strategic Planning Conference call with CRO team; call with Clyde Hamstreet.	1.00	300.00
	MOC Litigation Support Conference call with Jeff Schumacher regarding adversary proceedings.	0.20	60.00
	KB Travel Time Travel time for Kathrine Barton for travel from Portland to Salem.	1.00	NO CHARGE
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	SD Accounting /Auditing Meet with Joe Karas, Judy Dauble, Marci Boyd, Ryan Kuenzi and Kathrine Barton. Review budget for 2010 services. Review audit issues relating to HUD audits. Work on fresh start accounting and review work by Moss Adams. Follow-up with additional information for Moss Adams to update balance sheet and provide information regarding accrued professional fees, taxes, and other information.	3.50	1,260.00
	KB Travel Time Travel time for Kathrine Barton for travel from Salem to Coquille.	3.00	NO CHARGE
	HS Cash Management Update professional fees budgets for new fee applications and email professionals to get their estimates of work through end of case.	1.90	427.50
	MS Business Operations Conduct regional reviews for Hendrix, Knight and Hass.	3.40	1,190.00
	CAH Asset Disposition Work with CRO team on AEW and Blackstone to keep them in bidding process. Work on debt reorganization matters with Shirley Dunn and Greg Yates. Work on operational issues with Mark Schmidt. Review and respond to email and phone calls.	2.80	1,260.00
	SD Business Operations Telephone calls with Michael Grassmuck. Work on Sunwest office building adequate protection payment amounts. Review emails and respond.	2.30	828.00
	SD Asset Disposition Conference call with CRO, Tonkon Torp, Greg Yates and Matt Marcos regarding Blackstone and AEW deal progress.	0.70	252.00
	HS DIP Financing/Cash Collateral Review and update December DIP budgets.	3.20	720.00

			<u>Hours</u>	<u>Amount</u>
2/12/2010	SD	Financing Call with Greg Peterson of DNB Bank regarding default interest and need for bus for North Park Place. Call with Steve Mork, Receiver for North Park Place. Follow-up emails.	0.80	288.00
	HS	Cash Management Review daily AP.	0.90	202.50
	HS	Cash Management Review 45 day cash forecast.	0.10	22.50
	MS	Business Operations Arrange for Weatherly Springs turnover delay; email Granger Cobb, Clyde Hamstreet and affected SMI staff regarding same.	1.20	420.00
	MS	Business Operations Meet with Clark regarding bad debt write-offs for 2009.	0.50	175.00
	KB	Business Operations Work on DIP budget to actual reports.	5.40	1,728.00
2/13/2010	MOC	Tax Issues Email regarding investor tax question; reschedule conference call.	0.20	60.00
	SD	Business Operations Work on staffing coverage and planning to complete MIMO claims analysis. Review emails and respond.	1.00	360.00
	SD	Financing Begin review of GE cash control agreement to incorporate ML7.	1.50	540.00
2/14/2010	KB	Business Operations Work on DIP budget to actual reports.	1.50	480.00
2/15/2010	MS	Travel Time Travel time for Mark Schmidt for travel from Welches to Salem.	1.80	NO CHARGE
	MS	Business Operations Discuss IQR with Lynn Smith and with Nicole Brophy.	0.70	245.00
	MS	Business Operations Meet with Clark and later with Clark and Barb Jones regarding 2009 write-offs.	0.60	210.00
	KMM	Administrative Services Follow-up on Moelis call with Clyde Hamstreet.	0.20	15.00
	MS	Business Operations Phone call with Darryl Fisher regarding directors meeting.	0.20	70.00
	SD	Case Administration Review H&A January invoice and make edits for conformity.	1.50	540.00

		<u>Hours</u>	<u>Amount</u>
2/15/2010	CAH Strategic Planning Work on Yakima Medical School settlement. Work with CRO team members on status conference.	1.40	630.00
	SD Business Operations Review emails and respond. Review need for Arizona counsel regarding eviction and approve.	1.50	540.00
	KB Travel Time Travel time for Kathrine Barton for travel from Coquille to Salem.	3.00	NO CHARGE
	MS Business Operations Work regarding directors meeting agenda with Suzanne Towery.	0.20	70.00
	MS Business Operations Debrief Emeritus licensure status with Brett Salmon; email Clyde Hamstreet regarding same.	0.80	280.00
	MS Business Operations Analyze and review December WIDE reports for HoldCo properties.	3.10	1,085.00
	MS Business Operations Review census and occupancy reports for previous weeks performance.	1.20	420.00
	KB Business Operations Work on DIP budget to actual reports.	3.50	1,120.00
	HS Cash Management Review Shirley Dunn's questions on professional fees and update for new fee applications.	0.90	202.50
	HS DIP Financing/Cash Collateral Review and send out December monthly senior living DIP budget to actual comparisons.	3.90	877.50
	HS Cash Management Review daily AP disbursements.	0.10	22.50
	HS Cash Management Review 45 day cash flow analysis to determine how much funding is needed for operations.	1.60	360.00
	HS Financing Review second mortgages for how proceeds were used.	0.90	202.50
	HS Financing Compile delinquent property tax rates.	0.80	180.00
	KB Business Operations Work on projected balance sheets for non senior living and DivestCo senior living.	6.50	2,080.00

		<u>Hours</u>	<u>Amount</u>
2/15/2010	KB Travel Time Travel time for Kathrine Barton for travel from Salem to Portland	1.00	NO CHARGE
	MOC Strategic Planning Participate in CRO team call.	0.50	150.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Valuation Review work plan for development of projected balance sheet. Work with Kathrine Barton on balance sheet projections and review.	2.00	720.00
	SD Tax Issues Address issues relating to payment of property taxes.	0.50	180.00
	SD Valuation Telephone call with John Austin of Wells Fargo regarding SWP additional transaction. Email and discussion with Tom Wettlaufer.	0.60	216.00
	SD Financing Review modified GE Cash Control Agreements and ML7 release document. Discussion with Kevin Sullivan regarding previous agreements and with Greg Yates regarding agreements. Address need for financial statement certification and form of financial statements. Respond to inquiry from Ken Lauerman from Cowlitz Bank.	3.80	1,368.00
2/16/2010	CAH Strategic Planning Sign documents. Conference call with CRO team members regarding AEW and Blackstone transactions. Work on tax issues and debt restructuring. Review and respond to email and phone calls.	2.10	945.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Business Operations Review HFG payments. Review Exhibit 9 to the Plan of Distribution. Review Kristen Harder employment documents. Prepare memo to Clyde Hamstreet.	1.30	468.00
	SD Financing Continue to work on GE Cash Control Agreements and ML7 Receiver transition issues. Meet with Tom Wettlaufer, Jason Muth and Daniel Fish to address restructuring of non senior living entities. Follow-up regarding Fairview Business Park space. Continue to address payment of property taxes for GE financed facilities. Continue work on loan restructuring and term sheets; respond to Selco Credit Union.	2.90	1,044.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE

			<u>Hours</u>	<u>Amount</u>
2/16/2010	HS	DIP Financing/Cash Collateral Review and send out DIP budgets for DivestCo.	1.80	405.00
	HS	Cash Management Follow-up on payroll tax penalty.	0.30	67.50
	HS	Cash Management Review daily AP disbursements.	0.20	45.00
	SD	Tax Issues Call with Brian Frazier of WA Department of Revenue Audit Division regarding B&O tax. Request additional information. Review and sign Moss Adams engagement agreement for quarterly payroll audit/special procedures for the states of OK and TN. Address late payment of payroll taxes in May 2009.	1.50	540.00
	SD	Cash Management Review information received from Grassmuck Group and follow-up with Hannah Schmidt.	0.50	180.00
	SD	Business Operations Meet with Shain Pearse to address work flow during absence. Review emails and respond.	1.10	396.00
	MS	Business Operations Prepare for and attend directors meeting.	1.40	490.00
	MS	Business Operations Work regarding Weatherly Springs with Kathy Mackey, et al.	1.00	350.00
	MS	Business Operations Work regarding employee resignation; follow-up with Suzanne Towery, Wally Gutzler and Sarah Green.	0.80	280.00
	MS	Case Administration Meet over lunch with Shirley Dunn to review case management and progress.	0.50	175.00
	MS	Business Operations Work on CRO Ops report analysis of HoldCo December performance.	2.60	910.00
	MS	Business Operations Discuss US Census activity in SMI communities with Brett Salmon.	0.40	140.00
	JHR	Cash Management Manage issues related to Lone Star use of funds; set up cash management process.	1.20	360.00
	SD	Strategic Planning Telephone call with Alex Golubev and Kathy Mackey of Columbia Pacific and Mark Schmidt regarding Weatherly transition/sale; additional calls and	1.20	432.00

		<u>Hours</u>	<u>Amount</u>
	follow-up. Conference call with CRO transaction team regarding status of Blackstone and AEW deals.		
2/16/2010	MS Business Operations Phone call from Sarah Green regarding miscellaneous Ops issues in her division.	0.50	175.00
	MS Business Operations Meet with Mary Thuemmel regarding resident matters.	0.80	280.00
	HS Business Operations Review SWM balance sheet and work on creating a SWM balance sheet projection.	2.40	540.00
	MOC Strategic Planning Participate in CRO team call.	0.50	150.00
	HS Cash Management Discuss facility short falls with Shain Pearse and modify 45 day forecast.	0.50	112.50
	HS Cash Management Work on updating the professional fees budget and update professional fee schedule.	1.30	292.50
	HS Cash Management Review ML7 for default interest payments.	0.30	67.50
	MS Business Operations Work regarding Minnesota Medicaid rate changes and Pederson case rate changes.	0.90	315.00
2/17/2010	MS Business Operations Analyze all 2009 bonus checks and reconciliation against forecasts used in incentive compensation planning.	0.80	280.00
	MS Business Operations Work on CRO Ops input preparation and drafting, question confirmation with Kristy Petersen and Barb Jones, spreadsheet development and memo drafting.	5.60	1,960.00
	CAH Strategic Planning Work with CRO team on general update of deal evaluations and debt restructuring. Review and respond to correspondence; sign documents. Work with David Roth regarding Blackstone matters.	1.20	540.00
	MS Business Operations Work regarding Weatherly Springs turnover problems. Calls, meetings and/or emails with Kathy Mackey, Hailey Bjerk, James Estes, Tom Wettlaufer, Brett Salmon, Shirley Dunn and Granger Cobb.	1.30	455.00
	HS Cash Management Update and review operations transfer with Shirley Dunn.	0.80	180.00

		<u>Hours</u>	<u>Amount</u>
2/17/2010	HS Cash Management Follow-up on payments to Ater Wynne trust and update schedule of payments to and for JDW.	0.40	90.00
	HS Cash Management Review daily AP disbursements.	0.70	157.50
	HS Financing Respond to AEW question regarding management budget.	0.10	22.50
	HS Cash Management Coordinate with Jan Heald Robinson and Brandy Clack regarding wires transfers and other treasury functions.	0.30	67.50
	HS Cash Management Respond to miscellaneous questions related to treasury.	0.40	90.00
	MS Business Operations Follow-up on information regarding employee resignation with additional discussion of 2010 incentive compensation plans.	0.40	140.00
	JHR Cash Management Set up cash management process for wires.	0.60	180.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Financing Work on restructuring loans and term sheets including Cornerstone Bank, Selco, The National Bank and First National Bank of Waupaca. Telephone call with Terry Donahue, attorney for Citizens Bank. Participate in GE status call and follow-up. Continue work on the GE cash control agreements; coordinate signing with GE attorneys. Finalize language regarding certification of financial statements for GE.	4.80	1,728.00
	SD Strategic Planning Telephone call with CRO and transaction team regarding status of Blackstone and AEW deals. Continue to assist with Weatherly Springs disposition.	0.60	216.00
	SD Valuation Review roll forward of balance sheet. Coordinate meeting with Moss Adams.	1.00	360.00
	MOC Investor Relations Investor related email.	0.50	150.00
	HS Financing Create projection for Sunwest balance sheet and related payment of professional fees.	3.20	720.00

		<u>Hours</u>	<u>Amount</u>
2/17/2010	SD Business Operations Review emails and respond.	1.60	576.00
	SD Cash Management Conference call with Greg Yates and Wally Gutzler regarding collection efforts to collect old FUSE accounts.	0.20	72.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
2/18/2010	KMM Administrative Services Call with Sheryl Clinkscales of USA&M regarding upcoming Lone Star mediation. Discuss scheduling details.	0.20	15.00
	KMM Administrative Services Call to Maren Cohn to discuss Lone Star mediation.	0.20	15.00
	MS Business Operations Discuss resurveying communities with Suzanne Towery.	0.10	35.00
	MS Business Operations Call from Robinson regarding Weatherly license.	0.30	105.00
	MS Business Operations Review and respond to email.	0.30	105.00
	MS Business Operations Finalize and complete December operating results MD&A for CRO report.	3.50	1,225.00
	MS Business Operations Analyze Medicaid Conversion to identify early private to Medicaid converts; forward findings to Ops VPs.	2.00	700.00
	KMM Administrative Services Email Dick Carney regarding attorney information.	0.10	7.50
	KMM Administrative Services Scan and email Jason Muth French Quarter documents.	0.10	7.50
	HS DIP Financing/Cash Collateral Send out non senior living DIP budgets.	0.30	67.50
	HS Valuation Create projection for Sunwest balance sheet and review with Shirley Dunn.	3.30	742.50
	HS Cash Management Coordinate operations transfer with Treasury Department and US bank and update related treasury spreadsheets.	0.80	180.00
	KB Valuation Work at Hamstreet office to prepare for meeting with Moss Adams regarding post confirmation balance sheet.	3.00	960.00

		<u>Hours</u>	<u>Amount</u>
2/18/2010	KB Valuation Meet at Moss Adams regarding opening post confirmation balance sheet, valuation methods and other items related to fresh start accounting.	2.00	640.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	HS Cash Management Respond to miscellaneous questions related to treasury issues regarding Cherry Oaks and Aberdeen Heights. Review SMI's check run.	0.50	112.50
	HS Cash Management Update professional fee schedule for new invoices, summarize fees incurred through year end and breakout 2010 budget by month.	1.60	360.00
	KB Valuation Work at Hamstreet office on cash flow projections for unitary enterprise and projected post confirmation balance sheet.	4.30	1,376.00
	JHR Cash Management Review and approve wire transfers.	0.60	180.00
	KB Business Operations Emails and phone calls with various Sunwest personnel regarding accounting issues.	1.00	320.00
	KB Business Operations Phone conversation with Varouj Bakhshian of BMC regarding professional fee budget.	0.30	96.00
	MOC Investor Relations Telephone calls and email regarding investor issues.	0.20	60.00
	MOC Tax Issues Telephone calls and email regarding tax disclosure issues.	0.50	150.00
	MOC Plan & Disclosure Statement Conference call with Greg Yates regarding DivestCo properties and bare land.	0.30	90.00
	SD Valuation Prepare for and meet with Joe Karas and Ryan Kuenzi of Moss Adams with Kathrine Barton and Matt Marcos.	5.60	2,016.00
	SD Financing Request additional cash management agreement document from Anne Maglione of the Winston firm and review. Coordinate changes to signature pages; sign documents. Obtain previous documents and forward to Tom Wettlaufer for response to AEW.	1.80	648.00
	SD Business Operations Review emails and respond.	1.30	468.00

		<u>Hours</u>	<u>Amount</u>
2/18/2010	SD Cash Management Work on cash management including review and revision of new professional fee budget.	1.80	648.00
2/19/2010	MOC Business Operations General email and phone calls.	0.20	60.00
	SD Business Operations Review HFG payments with Clyde Hamstreet and address future arrangements. Coordinate current payment with Hannah Schmidt. Communicate with Darryl Fisher. Review emails and respond.	1.60	576.00
	SD Due Diligence Telephone call with Jeanne Caldwell of AEW, others and Matt Marcos regarding estimated closing statement.	0.70	252.00
	SD Asset Disposition Telephone call regarding Graham's Ferry property transaction; follow-up with Tom Wettlaufer. Participate in telephone conference with CRO and transaction team regarding current status/issues relating to Blackstone and AEW transactions.	1.00	360.00
	MOC Strategic Planning Participate in CRO team call.	0.50	150.00
	KMM Administrative Services Email to Sheryl Clinkscales regarding Dick Carney's attorney for noticing.	0.10	7.50
	KMM Administrative Services Print, organize and obtain Clyde Hamstreet's signature on various property and insurance documents per Sarah Bruck; notarize, scan and email documents.	1.10	82.50
	KMM Administrative Services Email with Sarah Bruck regarding Paragon Gardens vehicle title.	0.10	7.50
	CAH Valuation Work with Matt Marcos, Shirley Dunn and Kathrine Barton regarding opening balance sheets. Work on format of competing plan analysis.	3.10	1,395.00
	CAH Strategic Planning Prepare for and participate in call with Ford Elsaesser and Al Kennedy regarding AEW deal, suggested format of comparative analysis and proposed treatment of LLC members under each plan.	1.80	810.00
	CAH Business Operations Review and respond to emails and phone calls; set up appointments and review and sign documents. Work on communications matters.	1.40	630.00
	CAH Strategic Planning Prepare for and participate in CRO team member call.	0.70	315.00

		<u>Hours</u>	<u>Amount</u>
2/19/2010	CAH Strategic Planning Strategic planning regarding competing plans.	1.90	855.00
	HS Cash Management Discuss with Brandy Clack regarding wire transfers and the approval process; follow-up on questions related to Aspen Foundation and monthly allowances to JDW. Review SMI check run.	0.90	202.50
	HS Cash Management Create roll up of December DIP budgets and review results.	5.20	1,170.00
	HS Cash Management Respond to Matt Marcos regarding DivestCo shortfall.	0.20	45.00
	HS Cash Management Review daily AP disbursements.	0.50	112.50
	HS Cash Management Follow-up on US Bank fees.	0.20	45.00
	HS Financing Follow-up on past due debt notices received via mail.	0.20	45.00
	KB Valuation Work at Hamstreet office on cash flow projections for unitary enterprise and projected post confirmation balance sheet. Meet with Matt Marcos, Shirley Dunn and Clyde Hamstreet regarding same.	4.00	1,280.00
	KB Travel Time Travel time for Kathrine Barton for travel from Portland to Coquille.	4.00	NO CHARGE
	MOC Tax Issues Conference call with Darryl Steinhouse regarding comparison of plans and tax issues. Conference call with Amy Giannamore.	0.30	90.00
	SD Valuation Work with Clyde Hamstreet, Matt Marcos and Kathrine Barton on balance sheet valuation.	1.90	684.00
2/20/2010	MOC Tax Issues Email regarding tax issues.	0.10	30.00
2/21/2010	CAH Plan Process Work on comparison of plan analysis. Review and respond to emails.	3.20	1,440.00
	SD Plan & Disclosure Statement Review Plan of Distribution in preparation for meeting with management committee.	0.80	288.00
	MOC Investor Relations Email regarding investor and tax issues; review investor memos regarding adversary proceedings.	0.60	180.00

		<u>Hours</u>	<u>Amount</u>
2/21/2010	MOC Tax Issues Conference call with Darryl Steinhouse and Amy Giannamore regarding tax issues.	0.40	120.00
2/22/2010	CAH Business Operations Participate in CRO/Receiver meeting with Michael Grassmueck, Geoff Winkler and Shirley Dunn.	1.10	495.00
	CAH Business Analysis Work on preparations for upcoming meeting with management committee and advisors. Participate in management committee meeting and discuss investment bankers, comparison of offer process and Blackstone's desire to work with the management company.	5.90	2,655.00
	CAH Strategic Planning Participate in call with Blackstone and Moelis on Blackstone's comparison of returns under both plans. Follow-up with Moelis.	0.70	315.00
	CAH Strategic Planning Prepare for and participate in CRO team member call.	1.60	720.00
	CAH Business Operations Review and respond to emails and phone calls. Work with staff on claims and budget issues.	2.30	1,035.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Business Operations Meet with CRO and Receiver to address case status. Review emails and respond.	2.20	792.00
	SD Plan & Disclosure Statement Participate in meeting with John Stewart, management committee and others relating to plan and treatment of classes.	2.20	792.00
	SD Valuation Meet with Barb Jones and staff regarding claims. Work on other aspects of claim components.	1.10	396.00
	SD Cash Management Review cash collateral compliance with Hannah Schmidt. Review cash balances.	1.10	396.00
	HS DIP Financing/Cash Collateral Send out non senior living DIP budgets.	0.40	90.00
	HS Cash Management Update and reconcile Treasury spreadsheets to send out.	3.40	765.00
	HS Cash Management Review daily AP disbursements.	0.20	45.00

		<u>Hours</u>	<u>Amount</u>
2/22/2010	HS Cash Management Review DIP budget to actual roll up with Shirley Dunn and modify based on her comments.	1.90	427.50
	HS DIP Financing/Cash Collateral Review weekly DIP budget to actuals.	0.90	202.50
	SD Asset Disposition Participate in CRO call with transaction team to address current status of transactions; follow-up. Review Blackstone analysis of transaction.	1.90	684.00
	SD Financing Review bank feedback and revise term sheets.	2.20	792.00
	MOC Plan & Disclosure Statement Email regarding bare land adversaries.	0.10	30.00
	MOC Strategic Planning Participate in CRO team call.	0.40	120.00
	JHR Cash Management Review and approve wire transfers for the week of 02/22.	1.10	330.00
	KMM Administrative Services Forward email regarding time change for team call to Amy Giannamore of Luce Forward.	0.20	15.00
	JHR Business Operations Review projects and update deliverables.	0.40	120.00
2/23/2010	CAH Business Operations Work with staff in Salem on balance sheet valuations, plan comparisons and operational issues with Mark Schmidt and Shirley Dunn. Participate in calls with Ford Elsaesser and Al Kennedy and call with CRO team members.	9.30	4,185.00
	KB Valuation Work with data obtained on non senior living properties and senior living DivestCo properties to value for inclusion in post confirmation balance sheet.	3.50	1,120.00
	MS Travel Time Travel time for Mark Schmidt for travel from Welches to Salem.	1.70	NO CHARGE
	MS Business Operations Phone calls with Kelli Burelli regarding employee termination; follow-up emails with Michael Boston and Steve Stradley.	0.50	175.00
	MS Case Administration Debrief Clyde Hamstreet on status of business operations.	0.40	140.00

		<u>Hours</u>	<u>Amount</u>
2/23/2010	MS Business Operations Prepare for and attend Directors meeting; post meeting follow-up discussions with Suzanne Towery, Nicole Brophy and Lynn Smith.	2.10	735.00
	MS Business Operations Discuss Desert Springs evictions with Mary Thuemmel.	0.30	105.00
	KB Business Operations Conference call with Shirley Dunn and Tim Conway regarding various issues.	0.50	160.00
	MS Business Operations Meet with Randy Cyphers, then discuss with Shirley Dunn regarding entrance fee deposits for Hillside. Review email from Dumas regarding Davidson refund. Emails with Cyphers regarding sales activities.	0.40	140.00
	MS Business Analysis Conduct industry performance research on two of the six public senior housing companies for 4Q09 and compare with SMI results.	4.00	1,400.00
	MS Business Operations Call with Darryl Fisher regarding final day of divisional meeting and plans for next divisional meeting.	0.20	70.00
	MS Business Operations Conference call with Matt Marcos regarding AEW status.	0.20	70.00
	MS Case Administration Discuss EDC access with Shirley Dunn.	0.10	35.00
	HS Cash Management Continue to work on and update professional fee budget; review with Shirley Dunn and Clyde Hamstreet and follow-up on their comments specifically regarding Spring Pointe, Special Council and Receiver fees.	3.90	877.50
	HS Cash Management Review daily AP disbursements.	0.40	90.00
	HS Data Analysis Finish reviewing and send out weekly DIP budgets. Discuss status with Kristy Petersen.	1.10	247.50
	HS Cash Management Research bank accounts and draft bank transfer to Ater Wynne trust for Darryl Fisher.	0.40	90.00
	HS Cash Management Update the CRO account transaction detail workbook for miscellaneous deposits in first two weeks of February.	0.10	22.50

		<u>Hours</u>	<u>Amount</u>
2/23/2010	HS Financing Update five year model for Central Bank of Enid terms; discuss projection with Shirley Dunn.	0.80	180.00
	HS Cash Management Research revenue variances on December DIP budget roll up. Add bridge analysis to roll up.	2.30	517.50
	HS Cash Management Various emails regarding treasury matters.	0.20	45.00
	MS Business Analysis Analyze ALZ occupancy trends for the past 21 months and discuss with John Evans.	0.80	280.00
	MOC Tax Issues Review tax disclosure document.	1.80	540.00
	MOC Strategic Planning Participate in CRO team call.	0.30	90.00
	MOC Investor Relations Investor related email.	0.20	60.00
	MOC Business Operations General phone calls and email.	0.10	30.00
	SD Valuation Prepare for and meet with TIC MIMO claim team. Meet with Clyde Hamstreet, Jason Muth and Kathrine Barton to review non senior living properties, values and disposition plans. Work on claims review and analysis.	4.70	1,692.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Financing Work on loan restructuring. Call with Tim Conway regarding Moses Lake, Spring Pointe and other matters. Review Nebraskaland 5 extension. Call with Greg Yates regarding Tennessee Commerce Bank, fees, Chehalem Springs, Parkview Estates, etc.	3.40	1,224.00
	SD Strategic Planning Participate in telephone conference with CRO and transaction team.	0.60	216.00
	SD Business Operations Review emails and respond.	1.80	648.00
	KB Business Operations Discuss NY4 receivable and profitability analysis with Jeremiah Toews.	0.50	160.00

		<u>Hours</u>	<u>Amount</u>
2/23/2010	KB Travel Time Travel time for Kathrine Barton for travel from Coquille to Salem.	3.00	NO CHARGE
	KB Business Operations Review financial statements and discuss Crown Pointe with Yarrow Child and Lynn Smith.	0.70	224.00
	KB Valuation Meet with Jason Muth, Shirley Dunn and Clyde Hamstreet regarding valuation of non senior living properties and estimated disposition date.	2.00	640.00
	KB Valuation Meet with Tom Biesiadecki regarding valuation of senior living DivestCo properties and expected disposition date.	0.50	160.00
	KB Business Operations Investigate and respond to email regarding Chehalem Springs professional fees.	0.30	96.00
2/24/2010	CAH Strategic Planning Work on balance sheet issues, property list and comparisons of the AEW and Blackstone plans. Participate in CRO team member call, work on Luce's tax paper and impacts on investors.	5.30	2,385.00
	KMM Administrative Services Call with Sheryl Clinkscales regarding Lone Star mediations. Confirm upcoming mediation schedule and parties to notice. Email to Dan Whitaker regarding counsel. Discuss with Greg Yates cost allocation.	0.70	52.50
	HS Cash Management Review ML7 debt payment summary for 2008 and 2009 for default interest payments.	0.50	112.50
	KB Valuation Work on post confirmation balance sheet and claims estimates for non senior properties and DivestCo senior living properties.	4.80	1,536.00
	KB Business Operations Work with Jeremiah Toews on NY4 analysis.	1.00	320.00
	KB Business Operations Work on property tax payment schedule for balance of February, March and April.	2.40	768.00
	KB Business Operations Review and respond to emails.	0.50	160.00
	KB Financing Work with Kevin Sullivan on terms of mortgage and capital reserve contracts regarding Waterford at Bellevue.	0.50	160.00

		<u>Hours</u>	<u>Amount</u>
2/24/2010	KB Business Operations Discuss with James Estes terms of true up of receipts and expenses for Palm Meadows Village and Orchard Park.	0.40	128.00
	HS Financing Update five year model for Village at Greece projection.	0.10	22.50
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	MS Business Operations Attend ROM/RRN dinner and presentations.	1.80	630.00
	MS Business Operations Stand in for Darryl Fisher during his absence, including work on miscellaneous operational matters. Work with Mike Deines on Cordoba transportation and with employee on termination and settlement. Perform further quarterly occupancy analysis and meet with Deines and John Evans on divisional meetings. Consult with Towery on various topics. Meet with Missy McAllister regarding accountability and administrators and with Nicole Brophy on next week's RRN meeting. Call with Darryl Fisher. Discuss Davidson refund with Dumas. Review community wide reports and regional and divisional consolidations. Meet with Tom Wettlaufer and Randy Cyphers regarding Middlefield Oaks management agreement.	6.00	2,100.00
	HS Cash Management Update professional fees by month for Shirley Dunn's comments.	1.20	270.00
	HS Cash Management Review ML7 AP agings for pre petition costs.	2.50	562.50
	HS Cash Management Coordinate wire info for AEW funds with Brandy Clack and discuss approval of wires. Follow-up on internet banking with US Bank.	0.20	45.00
	HS Cash Management Review daily AP disbursements.	2.10	472.50
	MOC Tax Issues Discuss tax disclosure with Clyde Hamstreet and Greg Yates. Conference call with Tim Conway regarding same. Conference call with Darryl Steinhouse.	0.90	270.00
	HS Financing Discuss NY4 projections and tax payments with Kathrine Barton.	0.50	112.50
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Valuation Lead meeting with Pam Mattson, Teresa Price, Bob Roberts and Matt Scheeler regarding MIMO claims. Work with Daniel Fish regarding	4.60	1,656.00

		<u>Hours</u>	<u>Amount</u>
	Noteholder MIMO claims. Review claims information. Work on balance sheet valuation issues.		
2/24/2010	SD Due Diligence Conference call with Matt Marcos and Jeanne Caldwell regarding cash accounts and other matters.	0.50	180.00
	SD Financing Work on loan restructuring including Charter Bank, Lewis & Clark Bank, Nebraskaland extension and Greenbank. Call with Jeff Baker. Work on ML7 Receiver transition. Meet with Mike Deines relating to cap ex reserves on GE loan. Work with Tim Harmon and Jim Leasure relating payment of property taxes on GE financed properties.	4.40	1,584.00
	KMM Administrative Services Discuss with Clyde Hamstreet the Lone Star mediation postponement. Email to Sheryl Clinkscales regarding same. Follow-up with Dillon Jackson regarding review meeting.	0.30	22.50
	SD Business Operations Review emails and respond.	1.80	648.00
	MOC Plan & Disclosure Statement Conference call with Tom Wettlaufer regarding bare land memo.	0.20	60.00
	MOC Business Operations Review and respond to email.	0.60	180.00
	MOC Strategic Planning Discuss Blackstone and plan issues with Clyde Hamstreet; participate in CRO team call.	0.80	240.00
	KMM Administrative Services Continued emails regarding scheduling review meeting.	0.30	22.50
2/25/2010	CAH Strategic Planning Work on comparison of offers and coordination of process and designation of key issues. Work on balance sheet issues with team.	4.30	1,935.00
	CAH Case Administration Work regarding management committee letter; discuss with Al Kennedy, Ken Stephens and Greg Yates. Calls to Judge Velure regarding what is the validity of the court's authorization.	3.70	1,665.00
	KB Business Operations Work with Kathy White on accounts payable true up portion of Orchard Park. Incorporate into spreadsheet for allocation.	1.40	448.00
	KB Business Operations Discuss capital reserve issue regarding Waterford at Bellevue with Shirley Dunn.	0.50	160.00

		<u>Hours</u>	<u>Amount</u>
2/25/2010	KB Business Operations Analyze balance sheets for NY4 to determine sources and uses of cash.	1.20	384.00
	KB Business Operations Work with Jim Leasure to update property tax payment work.	0.80	256.00
	KB Valuation Review TrustCo non senior housing adjacent bare land detail to identify lands adjacent to HoldCo senior living property regarding AEW asset selection. Determine current and delinquent taxes on these properties. Identify areas for follow-up and confer with Jim Leasure on work needed to complete tax analysis.	2.20	704.00
	KB Business Operations Emails with Clyde Hamstreet and Tom Biesiadecki regarding abandonment of DivestCo properties where lender refuses to foreclose.	0.50	160.00
	KB Business Operations Review Tonkon Torp emails for divestiture related topics and forward to Sunwest personnel involved in related transactions.	0.50	160.00
	KB Valuation Work on post confirmation balance sheet. Review Moss Adams information regarding same. Revise allocation of properties between HoldCo, TrustCo and DivestCo status to reflect changes in same by potential buyers.	2.00	640.00
	KB Business Operations Meet with Barb Jones and Jeremiah Toews regarding adjustments to NY4 receivable due to recalculation of revenue recognition.	0.50	160.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Illahee CC and return.	1.20	NO CHARGE
	MS Business Operations Attend day one of Randy Cypher's division MVP training.	9.00	3,150.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Financing Work with Tim Harmon and Jim Leasure on payment of property taxes on GE related properties. Call with GE.	1.20	432.00
	SD Due Diligence Emails regarding DIP loan and other AEW due diligence matters.	1.00	360.00
	MOC Business Operations General email and phone calls.	0.40	120.00

		<u>Hours</u>	<u>Amount</u>
2/25/2010	MOC Communications Conference call with Angie Galimanis regarding media coverage of criminal investigation.	0.10	30.00
	MOC Plan & Disclosure Statement Conference call with Tom Wettlaufer regarding bare land memo.	0.10	30.00
	SD Valuation Work on estimate of values relating to claims and with claims team.	4.80	1,728.00
2/26/2010	MOC Plan & Disclosure Statement Review plan comparisons and participate in conference call. Revise bare land memo. Email regarding tax comparison of plans. Edit property list.	4.30	1,290.00
	MOC Investor Relations Return investor phone calls and email; review and address issues involved in the management committee's letter to investors.	1.80	540.00
	MOC Strategic Planning Participate in team call.	0.80	240.00
	MS Travel Time Travel time for Mark Schmidt for travel from Portland to Salem.	1.00	NO CHARGE
	MS Business Operations Emails and phone calls with Clyde Hamstreet, Maren Cohn and Shirley Dunn regarding management committee letter to investors.	0.80	280.00
	MS Business Analysis Pull SRZ 4Q09 results and add to industry occupancy data and graphs; forward to Clyde Hamstreet and others.	1.00	350.00
	GEL Strategic Planning Read bid comparisons regarding offers from Blackstone and AEW.	2.80	980.00
	GEL Strategic Planning Call with H&A, Moelis and A&M regarding bids, open items including model adjustments for included properties, updating estimated closing statements for each bid and next steps.	0.70	245.00
	GEL Strategic Planning Participate in status call with H&A and other professionals.	0.80	280.00
	CAH Strategic Planning Work with Matt Marcos and Shirley Dunn on various operational and budget issues. Review pending cash shortages and decide to sell Waterfield in Las Vegas. Work on redefining property list for plan analysis.	4.20	1,890.00
	SD Business Operations Review emails and respond.	1.30	468.00

		<u>Hours</u>	<u>Amount</u>
2/26/2010	KB Business Operations Work with Kathy White on accounts payable true up portion of Palm Meadows Village. Incorporate into spreadsheet for allocation.	1.30	416.00
	KB Business Operations Update current and delinquent property taxes for non senior bare land adjacent to HoldCo senior living facilities.	1.80	576.00
	HS Cash Management Summarize outstanding professional fees and calculate run rate. Review with Shirley Dunn.	1.00	225.00
	HS Financing Update five year model for Moses Lake term sheet.	0.30	67.50
	HS Due Diligence Discuss updating Moelis model with Jeff Yim and work to make needed changes.	6.80	1,530.00
	HS Cash Management Review daily AP disbursements.	0.30	67.50
	KB Business Operations Obtain property tax information for Orchard Park and Palm Meadows Village for post closing true up of expenses to receivership period.	1.20	384.00
	KB Business Operations Update post confirmation balance sheet asset values for non senior living properties.	0.70	224.00
	KB Travel Time Travel time for Kathrine Barton for travel from Salem to Coquille.	3.00	NO CHARGE
	MS Business Operations Attend day two of Randy Cypher's division MVP training.	9.00	3,150.00
	KMM Administrative Services Review email from Tom Wettlaufer; list documents for execution. Review signed documents and notarize where required. Call with Shirley Dunn to discuss. Call with Sarah Bruck to discuss. Call to Tom regarding execution dates. Reprint and date revised documents. Organize and arrange delivery to Michael Grassmueck.	2.40	180.00
	KMM Administrative Services Call with Shirley Dunn to discuss SWP transfer documents. Call to Rachel McIvor at Michael Grassmueck's office to discuss same.	0.30	22.50
	KMM Administrative Services Call with Sheryl Clinkscales of USA&M to discuss noticing of interested parties pertaining to the Lone Star mediation. Discuss potential reschedule dates.	0.20	15.00

		<u>Hours</u>	<u>Amount</u>
2/26/2010	MOC Communications Revise and forward media statement; research and respond to reporter inquiry.	0.60	180.00
	SD Strategic Planning Participate in call with CRO and transaction team.	0.50	180.00
	SD Travel Time Travel time for Shirley Dunn for travel from Portland to Salem.	1.00	NO CHARGE
	SD Financing Work on issues relating to Greenbank and respond to inquiry from Laura Walker. Meet with Kevin Sullivan regarding more current loan agreement. Review covenant requirements for release of reserve; review 2009 financial statements to calculate DSCR.	1.60	576.00
	SD Plan & Disclosure Statement Address issues relating to communication from management committee.	1.10	396.00
	SD Due Diligence Participate in Moelis transaction call; follow-up.	1.00	360.00
2/27/2010	CAH Business Operations Conference call and email exchanges with Blackstone regarding management committee's letter. Work on strategy to respond to letter.	1.80	810.00
2/28/2010	MOC Plan & Disclosure Statement Review and revise position paper, participate in calls and respond to emails regarding investor letter issues.	2.90	870.00
	SD Valuation Review information regarding MIMO claims.	1.50	540.00
	HS Due Diligence Update Moelis model and related cap ex schedule for new facilities.	3.00	675.00
	MS Business Operations Review voicemail from Clyde Hamstreet; call with Clyde regarding investor letter.	0.30	105.00
	CAH Business Operations Review and respond to phone calls and emails regarding Maren Cohn letter, Blackstone concern and developing a sense of the amount of damage.	5.70	2,565.00
	CAH Business Analysis Prepare white paper on effect of letter on case and best solution to salvage case. Work with advise or on conclusions and recommendations. Participate in calls regarding the same with Judge Velure and Ford Elsaesser.	6.70	3,015.00

<u>Hours</u>	<u>Amount</u>
801.00	\$244,387.50

For professional services rendered

Additional Charges :

	<u>Price</u>	<u>Qty</u>	
2/1/2010 Lodging and conference room expense for Tucson meeting with Judges Hogan and Velure as well as Clyde Hamstreet, Moelis representatives and David Zaro.	\$1,740.55	1	1,740.55
Business meal expense for Clyde Hamstreet during Tucson meeting.	\$55.93	1	55.93
Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
Baggage fee for Clyde Hamstreet.	\$20.00	1	20.00
Business meal expense for Kathrine Barton.	\$14.75	1	14.75
Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
Mileage expense for Kathrine Barton for travel from Coquille to Salem.	\$0.50	195	97.50
Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
2/2/2010 Parking expense for Clyde Hamstreet at Portland airport.	\$34.50	1	34.50
Mileage expense for Shirley Dunn for travel to Salem and return to Portland.	\$0.50	104	52.00
Miscellaneous expense for FedEx charges.	\$18.16	1	18.16
Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
2/3/2010 Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
Mileage expense for Shirley Dunn travel for travel from Portland to Salem and return.	\$0.50	104	52.00
Business meal expense for Kathrine Barton and Hannah Schmidt.	\$36.00	1	36.00
Lodging expense for Hannah Schmidt.	\$119.90	1	119.90
2/4/2010 Parking expense for Jan Heald Robinson.	\$15.00	1	15.00
Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00

	<u>Price</u>	<u>Qty</u>	<u>Amount</u>
2/4/2010 Mileage expense for Mark Schmidt for travel from Portland to Illahee CC and return.	\$0.50	110	55.00
2/5/2010 Business meal expense for Shirley Dunn, Greg Yates and Matt Marcos.	\$49.00	1	49.00
Business meal expense for Kathrine Barton.	\$18.82	1	18.82
Lodging expense for Kathrine Barton for week of 2/1/10.	\$119.90	4	479.60
Mileage expense for Kathrine Barton for travel from Salem to Coquille.	\$0.50	195	97.50
Miscellaneous expense: Delivery fees.	\$32.00	1	32.00
Parking expense for Shirley Dunn.	\$18.00	1	18.00
Business meal expense for Hannah Schmidt for food for Financial Accounting at Sunwest.	\$27.96	1	27.96
Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
2/8/2010 Miscellaneous expense for FedEx charge.	\$16.49	1	16.49
Business meal expense for Hannah Schmidt.	\$10.74	1	10.74
Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
Lodging expense for Hannah Schmidt.	\$119.90	1	119.90
2/9/2010 Parking expense for Jan Heald Robinson.	\$15.00	1	15.00
Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
Miscellaneous expense for FedEx services.	\$10.49	1	10.49
Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
2/10/2010 Business meal expense for Kathrine Barton.	\$18.92	1	18.92
Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00

		<u>Price</u>	<u>Qty</u>	<u>Amount</u>
2/10/2010	Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
	Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
	Mileage expense for Kathrine Barton for travel from Coquille to Salem.	\$0.50	195	97.50
2/11/2010	Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
	Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
	Parking expense for Jan Heald Robinson.	\$15.00	1	15.00
	Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
	Mileage expense for Kathrine Barton for travel from Salem to Portland.	\$0.50	50	25.00
2/12/2010	Business meal expense for Shirley Dunn and Kathrine Barton.	\$14.00	1	14.00
	Mileage expense for Mark Schmidt for travel from Portland to Salem to Welches.	\$0.50	132	66.00
	Parking expense for Shirley Dunn.	\$9.95	1	9.95
	Mileage expense for Kathrine Barton for travel from Portland to Salem.	\$0.50	50	25.00
	Mileage expense for Kathrine Barton for travel from Salem to Coquille.	\$0.50	195	97.50
	Lodging expense for Kathrine Barton for week of 2/08/10.	\$88.88	1	88.88
	Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
	Parking expense for Kathrine Barton.	\$10.25	1	10.25
	Lodging expense for Kathrine Barton for week of 2/08/10.	\$119.90	1	119.90
2/15/2010	Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
	Mileage expense for Mark Schmidt for travel from Welches to Salem and return.	\$0.50	162	81.00
	Mileage expense for Kathrine Barton for travel from Salem to Portland.	\$0.50	50	25.00
	Mileage expense for Kathrine Barton for travel from Coquille to Salem.	\$0.50	195	97.50

	<u>Price</u>	<u>Qty</u>	<u>Amount</u>
2/15/2010 Business meal expense for Hannah Schmidt.	\$14.75	1	14.75
Lodging expense for Hannah Schmidt.	\$119.90	1	119.90
2/16/2010 Business meal expense for Shirley Dunn, Mark Schmidt and Hannah Schmidt.	\$27.90	1	27.90
Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
2/17/2010 Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
2/18/2010 Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
2/19/2010 Parking expense for Shirley Dunn for 02/18 and 02/19.	\$36.00	1	36.00
Parking expense for Kathrine Barton for 2/18/10, 2/19/10 and 10/5/09.	\$18.00	3	54.00
Mileage expense for Kathrine Barton for travel from Portland to Coquille.	\$0.50	245	122.50
Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
2/22/2010 Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
Parking expense for Clyde Hamstreet for meeting with Al Kennedy on 01/21/10.	\$4.50	1	4.50
2/23/2010 Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00

		<u>Price</u>	<u>Qty</u>	<u>Amount</u>
2/23/2010	Mileage expense for Kathrine Barton for travel from Coquille to Salem.	\$0.50	195	97.50
	Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
	Business meal expense for Kathrine Barton.	\$14.75	1	14.75
	Mileage expense for Mark Schmidt for travel from Welches to Salem to Portland.	\$0.50	132	66.00
2/24/2010	Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
	Mileage expense for Mark Schmidt for travel from Portland to Salem and return.	\$0.50	102	51.00
	Business meal expense for Kathrine Barton.	\$18.82	1	18.82
2/25/2010	Business meal expense for Kathrine Barton and Shirley Dunn.	\$18.90	1	18.90
	Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
	Mileage expense for Mark Schmidt for travel from Portland to Illahee CC and return.	\$0.50	108	54.00
	Business meal expense for Kathrine Barton.	\$11.80	1	11.80
2/26/2010	Business meal expense for Clyde Hamstreet, Greg Yates and Maren Cohn.	\$26.25	1	26.25
	Lodging expense for Kathrine Barton for week of 2/22/10.	\$119.90	3	359.70
	Mileage expense for Kathrine Barton for travel from Salem to Coquille.	\$0.50	195	97.50
	Mileage expense for Hannah Schmidt for travel from Portland to Salem and return.	\$0.50	100	50.00
	Mileage expense for Mark Schmidt for travel from Portland to Illahee CC and return.	\$0.50	107	53.50
	Mileage expense for Shirley Dunn for travel from Portland to Salem and return.	\$0.50	104	52.00
Total additional charges				\$7,132.46
Total amount of this bill				\$251,519.96
Accounts receivable transactions				
3/10/2010	80% Payment plus expenses - Thank You. Check No. wire trans			(\$287,957.20)
3/10/2010	80% payment plus expenses - Thank You. Check No. wire trans			(\$261,952.05)

	<u>Amount</u>
Total payments and adjustments	(\$549,909.25)
Balance due	<u>\$781,834.40</u>

Consultant Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Clyde A. Hamstreet	102.60	450.00	\$46,170.00
Gary Lawrence	4.30	350.00	\$1,505.00
Hannah Schmidt	125.10	225.00	\$28,147.50
Jan Heald Robinson	24.20	300.00	\$7,260.00
Kathrine Barton	118.90	320.00	\$38,048.00
Kathrine Barton	28.00	0.00	\$0.00
Mark Schmidt	133.60	350.00	\$46,760.00
Mark Schmidt	19.10	0.00	\$0.00
Shirley Dunn	181.70	360.00	\$65,412.00
Shirley Dunn	15.60	0.00	\$0.00
Maren Cohn	33.30	300.00	\$9,990.00
Kathy Million	14.60	75.00	\$1,095.00